

INTERIM FINANCIAL REPORT

FOR THE FOURTH QUARTER ENDED 30 JUNE 2016

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		12 Months Ended	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
	RM'000	RM'000	RM'000	RM'000 (Restated *)
Revenue	48,316	71,659	220,154	263,655
Cost of sales	(23,776)	(35,505)	(101,657)	(120,733)
Gross profit	24,540	36,154	118,497	142,922
Investment revenue	5,464	2,548	16,010	12,171
Other income	3,622	95,388	11,776	101,370
Finance costs	(627)	(307)	(2,655)	(355)
Other expenses	(13,987)	(19,354)	(73,830)	(56,228)
Profit before taxation	19,012	114,429	69,798	199,880
Taxation	(2,754)	(7,858)	(19,363)	(30,740)
Profit for the year	16,258	106,571	50,435	169,140
Other comprehensive income	(2,574)	(1,205)	2,431	(1,205)
Total comprehensive income for the year	13,684	105,366	52,866	167,935
Profit for the year attributable to:				
Owners of the Company	16,258	106,650	50,438	169,219
Non-controlling interests	-	(79)	(3)	(79)
	16,258	106,571	50,435	169,140
Total comprehensive income attributable to:				
Owners of the Company	13,684	105,527	52,897	168,096
Non-controlling interests	-	(161)	(31)	(161)
	13,684	105,366	52,866	167,935
Earnings per share (sen)				
- Basic / Diluted	4.3	38.4	13.2	60.9

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the Explanatory Notes for the quarter ended 30 June 2016)

* Certain comparative figures are restated following the completion of the Purchase Price Allocation exercise.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.06.2016 (Unaudited)	As at 30.06.2015 (Audited) (Restated *)
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	560,498	549,904
Land held for future development	193,538	193,246
Property development projects - non current portion	147,923	140,482
Investment properties	63,249	63,833
Deferred tax assets	25,732	22,196
	<u>990,940</u>	<u>969,661</u>
CURRENT ASSETS		
Property development projects - current portion	200,041	165,440
Inventories	30,606	33,064
Trade receivables	42,975	33,466
Other receivables, deposits and prepaid expenses	8,968	11,048
Accrued billings	2,828	9,842
Tax recoverable	3,381	2,234
Short term investments	52,891	128,803
Fixed income trust funds	163,956	80,232
Fixed deposits with licensed banks	116,247	120,713
Cash and bank balances	75,925	122,229
	<u>697,818</u>	<u>707,071</u>
TOTAL ASSETS	<u>1,688,758</u>	<u>1,676,732</u>
EQUITY AND LIABILITIES		
Capital & Reserves		
Share capital	381,534	373,943
Share premium	133,781	127,305
Reserves	962,262	914,782
Total Equity Attributable to Owners of the Company	<u>1,477,577</u>	<u>1,416,030</u>
Non-controlling interests	-	27,193
TOTAL EQUITY	<u>1,477,577</u>	<u>1,443,223</u>
NON-CURRENT LIABILITIES		
Bank borrowings	33,787	41,000
Deferred tax liabilities	32,553	31,715
	<u>66,340</u>	<u>72,715</u>
CURRENT LIABILITIES		
Trade payables	19,652	12,848
Retention monies	20,152	22,828
Other payables, accrued expenses and provisions	88,570	113,769
Advance billings	9,145	2,462
Bank borrowings	5,763	5,275
Tax liabilities	1,559	3,612
	<u>144,841</u>	<u>160,794</u>
TOTAL LIABILITIES	<u>211,181</u>	<u>233,509</u>
TOTAL EQUITY & LIABILITIES	<u>1,688,758</u>	<u>1,676,732</u>
Net assets per share attributable to owners of the Company (RM)	3.87	3.79

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the Explanatory Notes for the quarter ended 30 June 2016)

* Certain comparative figures are restated following the completion of the Purchase Price Allocation exercise.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-distributable			Distributable →							
	Share Capital	Share Premium	Available For-Sale Reserve	Foreign Currency		Retained Earnings			Total	Non-controlling interest	Total Equity
				Reserve	Reserve						
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
12 Months Ended 30 June 2016											
At 1 July 2015 - as previously reported	373,943	155,914	(1,755)	632	887,963	1,416,697	27,331	1,444,028			
Effects of completion of Purchase											
Price Allocation	-	(28,609)	-	-	27,942	(667)	(138)	(805)			
At 1 July 2015 - as restated	373,943	127,305	(1,755)	632	915,905	1,416,030	27,193	1,443,223			
Net profit for the year	-	-	-	-	50,438	50,438	(3)	50,435			
Fair value changes on available-for-sale financial assets	-	-	2,575	-	-	2,575	(25)	2,550			
Foreign currency translation difference for foreign operation	-	-	-	(116)	-	(116)	(3)	(119)			
Total comprehensive income for the financial year	-	-	2,575	(116)	50,438	52,897	(31)	52,866			
Dividend for the financial year ended 30 June 2015 - final dividend	-	-	-	-	(17,169)	(17,169)	-	(17,169)			
Shares issuance	7,591	7,819	-	-	-	15,410	-	15,410			
Shares issuance expenses	-	(1,343)	-	-	-	(1,343)	-	(1,343)			
Changes in ownership in subsidiaries	-	-	-	-	11,752	11,752	(27,162)	(15,410)			
At 30 June 2016	381,534	133,781	820	516	960,926	1,477,577	-	1,477,577			

	← Non-distributable			Distributable →							
	Share Capital	Share Premium	Available For-Sale Reserve	Foreign Currency		Retained Earnings			Total Equity	Non-controlling interest	Total Equity
				Reserve	Reserve						
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
12 Months Ended 30 June 2015											
At 1 July 2014	270,000	-	-	-	710,540	980,540	-	980,540			
Net profit for the year	-	-	-	-	169,219	169,219	(79)	169,140			
Fair value changes on available-for-sale financial assets	-	-	(1,755)	-	-	(1,755)	(128)	(1,883)			
Foreign currency translation difference for foreign operation	-	-	-	632	-	632	46	678			
Total comprehensive income for the financial year	-	-	(1,755)	632	169,219	168,096	(161)	167,935			
Dividend for the financial year ended 30 June 2014 - final dividend	-	-	-	-	(16,200)	(16,200)	-	(16,200)			
Non-controlling interest							149,024	149,024			
Shares issuance	103,943	127,305	-	-	-	231,248	-	231,248			
Changes in ownership in subsidiaries					52,346	52,346	(121,670)	(69,324)			
At 30 June 2015 (as restated)	373,943	127,305	(1,755)	632	915,905	1,416,030	27,193	1,443,223			

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended	
	30.06.2016 RM'000	30.06.2015 RM'000 (Restated *)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	69,798	199,880
Adjustments for:-		
Depreciation and amortisation	17,094	8,441
Other non-cash items	(7,815)	(102,700)
Profit Before Working Capital Changes	79,077	105,621
Net change in current assets	(40,289)	19,322
Net change in current liabilities	(14,389)	(8,218)
Cash Generated From Operations	24,399	116,725
Interest income received	1,461	2,403
Income tax refunded	47	6,029
Income tax paid	(25,309)	(30,155)
Net Cash Generated From Operating Activities	598	95,002
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary companies, net of cash and cash equivalents acquired	-	6,017
Interest income received	5,384	6,672
Proceeds from disposal of property, plant and equipment	75	35
Purchase of property, plant & equipment	(27,126)	(168,228)
Proceeds from disposal of other investment	-	55
Proceeds from disposal of short term investments	76,233	47,442
Purchase of short term investments	(320)	(27,000)
Dividend received from fixed income trust funds	6,121	2,950
Shares issuance expenses	(1,343)	-
Net Cash Generated From/ (Used in) Investing Activities	59,024	(132,057)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(17,169)	(16,200)
Interest paid	(2,655)	(355)
Repayment of bank borrowings	(6,725)	(20,250)
Net Cash Used In Financing Activities	(26,549)	(36,805)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	33,073	(73,860)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE YEAR	323,174	396,356
Effect of exchange rate changes	(119)	678
CASH & CASH EQUIVALENTS AT END OF THE YEAR	356,128	323,174

Cash and cash equivalents included in the cash flows comprise the following:-

	30.06.2016 RM'000	30.06.2015 RM'000
Fixed income trust funds	163,956	80,232
Fixed deposits with licensed banks	116,247	120,713
Cash and bank balances	75,925	122,229
	356,128	323,174

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2015 and the Explanatory Notes for the quarter ended 30 June 2016)

* Certain comparative figures are restated following the completion of the Purchase Price Allocation exercise.

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 30 June 2015. These explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2015.

2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements of the Group for the financial year ended 30 June 2015 except for the adoption of the relevant new FRSs, amendments to FRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2016 respectively. The Group has not early adopted the standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for the accounting periods beginning 1 January 2018. The adoption of the new FRSs, amendments to FRSs and IC Interpretations does not have any material impact on the financial position and results of the Group.

On 19 November 2011, the MASB issued a new MASB approved accounting standards, Malaysian Financial Reporting Standards (“MFRSs Framework”). The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual period beginning on or after 1 January 2012, with the exception of entities subject to the application of FRS 141 Agriculture and/or IC Int 15 Agreements for the Construction of Real Estate (“Transitioning Entities”).

The Transitioning Entities are given an option to defer adoption of the MFRSs framework. Accordingly, the Group which is a Transitioning Entity have chosen to defer the adoption of MFRSs framework. The Group will prepare its first MFRSs financial statements using the MFRSs framework for the financial year ending 30 June 2019.

3. Auditors’ Report on Preceding Annual Financial Statements

The annual audited financial statements for the financial year ended 30 June 2015 were not subject to any qualification.

4. Comments about Seasonal or Cyclical Factors

The Group's business operations are not significantly affected by seasonal or cyclical factors.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and year-to-date other than disclosed in this report.

6. Significant Changes in Estimates

There were no changes in estimates that have any material effect on the current quarter and year-to-date results.

7. Debt and Equity Securities

The Company made, on 2 March 2015, an unsolicited and conditional general offer to acquire all the ordinary shares of RM1.00 each in The Nomad Group Bhd ("TNGB") at a price of RM1.25 per offer share to be satisfied through the issuance of new ordinary shares of RM1.00 each in the Company at an issue price of RM2.50 each. The Company had, on 30 July 2015, completed its general offer for and acquired the entire equity interest of TNGB.

During the financial year and in relation to and for the completion of the said general offer, the Company issued 7,591,169 new ordinary shares of RM1.00 each at an issue price of RM2.50 each to the shareholders of TNGB. With this new issuance of 7,591,169 ordinary shares, the Company now has an issued and paid-up capital of RM381,533,758 divided into 381,533,758 ordinary shares of RM1.00 each.

8. Dividend Paid

The following dividends were paid during the current and previous year:

	<u>30.06.2016</u>	<u>30.06.2015</u>
Final dividend for the financial year	30 June 2015	30 June 2014
Approved and declared on	4 November 2015	29 October 2014
Date paid	18 November 2015	14 November 2014
Number of ordinary shares on which dividends were paid ('000)	381,534	270,000
Amount per share (single tier)	4.5 sen	6 sen
Net dividend paid (RM'000)	17,169	16,200

9. Segmental Information

Segmental information is presented in respect of the Group's business segments which form the primary basis of segmental reporting.

Segment information for the financial year ended 30 June 2016 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External	155,012	65,142	-	-	220,154
Inter-segment sales	-	-	5,628	(5,628)	-
Dividend income	-	-	45,000	(45,000)	-
Total revenue	155,012	65,145	50,628	(50,628)	220,154
Operating profit	57,464	(1,473)	59,880	(59,428)	56,443
Finance costs					(2,655)
Investment revenue					16,010
Profit before taxation					69,798
Taxation					(19,363)
Profit for the year					50,435

Segment information for the financial year ended 30 June 2015 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External sales	237,401	26,254	-	-	263,655
Inter-segment sales	-	20	5,628	(5,648)	-
Dividend income	-	-	45,000	(45,000)	-
Total revenue	237,401	26,273	50,628	(50,648)	263,655
Operating profit	100,548	(5,291)	54,904	37,903	188,064
Finance costs					(355)
Investment revenue					12,171
Profit before taxation					199,880
Taxation					(30,740)
Profit for the year					169,140

10. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment brought forward from the previous financial year.

11. Material Subsequent Events

There were no material events subsequent to the end of the current quarter.

12. Changes in the Composition of the Group

Following an unsolicited and conditional general offer by the Company to acquire all the ordinary shares of RM1.00 each in The Nomad Group Bhd (“TNGB”) at a price of RM1.25 per offer share to be satisfied through the issuance of new ordinary shares of RM1.00 each in the Company at an issue price of RM2.50 each, the Company had announced on 21 May 2015 that it had received valid acceptances for more than 50% of the entire equity interest of TNGB and thereby effectively making TNGB a subsidiary of the Company.

The Company had, on 30 July 2015, completed its general offer for the acquisition of its entire equity interest in TNGB and thereby making TNGB a wholly-owned subsidiary of the Company.

13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the contingent liabilities and contingent assets of the Group since the last annual reporting date.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD**

1. Performance Review

The Group registered a revenue of RM48.3 million and net profit of RM16.3 million for current quarter ended 30 June 2016 as compared to a revenue of RM71.7 million and net profit of RM106.6 million for the corresponding quarter of the previous year. The higher profit recorded in the corresponding quarter of the previous year is mainly due to the bargain purchase gain of RM92.2 million in the take-over of The Nomad Group Bhd (“TNGB”).

For the current quarter ended 30 June 2016, property development remains a key contributor with 70% of total Group revenue whereas hotel operations contributed 30%. The Group’s key revenue and profit were principally derived from its property development activities carried out at Taman Desa Tebrau in Johor, Taman Putra Prima in Selangor and Bandar Perdana & Lot 88 in Kedah and in Penang.

Hotel operations have contributed a higher revenue for the current quarter compared to the corresponding quarter of the previous year due to the acquisition of The Gurney Resort Hotel & Residences and four hotels of TNGB in the fourth quarter of the previous financial year.

For the financial year ended 30 June 2016, the Group recorded a revenue of RM220.2 million and net profit of RM50.4 million compared to a revenue of RM263.7 million and net profit of RM169.1 million for the previous financial year ended 30 June 2015. The lower revenue and net profit for the current financial year was mainly due to the lower contribution from both the existing and completed property development projects. In addition, the increase in profit for the previous financial year is mainly derived from the bargain purchase gain of RM92.2 million in the take-over of TNGB.

2. Material Changes in Profit Before Tax of Current Quarter Compared to Preceding Quarter

The Group posted a profit before tax of RM19.0 million for the current quarter ended 30 June 2016 as compared to a profit before tax of RM20.7 million for the immediate preceding quarter. Slightly lower profit in the current quarter is mainly due to the higher contribution recognised from the completion and delivery of vacant possession of Taman Desa Tebrau Phase 12A Three Storey Semi-D during the immediate preceding quarter.

3. Next Year Prospects

The property market is expected to experience slower growth amidst global, regional and national economic uncertainties and cautious market sentiments. In spite of this, properties in good locations are expected to continue to draw property buyers. The hotel business is expected to remain challenging as well.

In view of the above, the Board of Directors expects a challenging performance for the financial year ending 30 June 2017.

4. Profit Forecast

Not applicable as no profit forecast was issued.

5. Profit Before Taxation

Profit before taxation is stated after crediting/(charging) :

	Individual Quarter	Cumulative Quarters
	3 months ended	12 months ended
	30.06.2016	30.06.2016
	RM'000	RM'000
Depreciation of property, plant and equipment	(3,381)	(16,510)
Depreciation of investment properties	(146)	(584)
Interest expense	(627)	(2,655)
Gain on disposal of property, plant and equipment	75	68
Realised (loss)/gain on foreign exchange	(1)	2
Unrealised (loss)/gain on foreign exchange	(305)	1
Fair value changes in short term investments	9	416
Dividend income from fixed income trust fund	1,660	6,121
Interest income from short term deposits	1,064	5,384

Other than the above items, there were no impairment of assets, provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for current quarter and financial year ended 30 June 2016.

6. Taxation

Taxation for the current quarter and year-to-date comprised the following:

	Individual Quarter		Cumulative Quarters	
	3 months ended		12 months ended	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
	RM'000	RM'000	RM'000	RM'000
Taxation				
- Current year	5,557	8,608	21,901	31,755
- Prior year	(105)	13	160	(252)
	5,452	8,621	22,061	31,503
Deferred tax	(2,698)	(763)	(2,698)	(763)
	2,754	7,858	19,363	30,740

The Group's effective tax rate for the financial year was higher than the statutory rate as certain expenses were disallowed as deductions for tax purposes. Losses incurred by certain subsidiary companies were also not available for set off against taxable profits in other companies within the Group.

6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the reporting date.

7. Group Borrowings and Debt Securities

The Group's borrowings and debt securities are as follows:-

	30.06.2016
	RM'000
Current	
Term Loan (secured)	5,763
Non-Current	
Term Loan (secured)	33,788
Total	39,551

8. Changes in Material Litigation

There were no material litigation against the Group as at 17 August 2016, being 7 days prior to the date of this report.

9. Dividend Proposed or Declared

The Board of Directors does not recommend any final dividend for the financial year.

11. Realised and Unrealised Profits/Losses Disclosure

The details of the retained earnings as at 30 June 2016 and 30 June 2015 are as follows :

	30.06.2016	30.06.2015
	RM'000	RM'000 (Restated)
Total retained earnings of the Company and its subsidiaries :		
- Realised	821,609	840,480
- Unrealised	(21,831)	(42,517)
	<u>799,778</u>	<u>797,963</u>
Add : Consolidation adjustments	161,148	117,942
Total group retained earnings as per consolidated financial statements	<u>960,926</u>	<u>915,905</u>

12. Earnings Per Share

	Individual Quarter		Cumulative Quarters	
	3 months ended		12 months ended	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Profit attributable to owners of the Company (RM'000)	16,258	106,650	50,438	169,219
Weighted average number of ordinary shares in issue ('000)	380,932	277,756	380,932	277,756
Basic earnings per ordinary share (sen)	4.3	38.4	13.2	60.9

Diluted earnings per ordinary share is not applicable as the Company does not have any convertible instruments.

13. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2015 was unqualified.

14. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 24 August 2016.

**By Order of the Board
PLENITUDE BERHAD**

JENNY WONG CHEW BOEY (MAICSA 7006120)
Company Secretary
Kuala Lumpur

24 August 2016